

NEWS RELEASE

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State Regulators, CSBS, and Federal Reserve System Release Community Banking Report

RALEIGH—This afternoon, the N.C. Office of the Commissioner of Banks, joined with the Conference of State Bank Supervisors (CSBS) and the Federal Reserve System, released Community Banking in the 21st Century: Opportunities, Challenges and Perspective, a first-of-its-kind report on the challenges and opportunities facing community banks. The report was produced and released in conjunction with the inaugural CSBS-Federal Reserve community banking research conference held this week at the Federal Reserve Bank of St. Louis.

The report reveals findings by state bank supervisors from industry town hall meetings or through e-mail solicitations, and it represents the direct views of community bankers from states experiencing different economic and fiscal realities.

“I solicited feedback from community bankers across North Carolina to gather first-hand accounts of the challenges and opportunities that are currently impacting the way these banks operate,” said Ray Grace, Commissioner of Banks. “Many of them said their biggest concern was the one-size-fits-all approach to banking regulation by policymakers in Washington, D.C. But they also see opportunities as they differentiate themselves from larger banks and deploy new technology. ”

Part one of the report presents current and historical community banking data to provide an appropriate context for understanding how the industry has changed over the past two decades. It helps to frame discussions on how the industry might be poised to react to future challenges and take advantage of future opportunities.

Part two of the report synthesizes and analyses, in aggregate, the responses to the questions that community bankers were asked in town hall meetings and email correspondence across the country. The report highlights responses common to a majority of community bankers and further highlights unique and innovative responses to the questions asked.

“These extensive reports serve as the foundation of the publication, but also serve to generate meaningful dialogue at this week’s conference,” said Commissioner Grace.

“My hope is for state and federal regulators, members of the industry, academics, and policymakers to have a constructive discussion regarding our banking system and how its regulation can better serve North Carolina and the nation as a whole.”

State financial regulators met or corresponded with more than 1,700 bankers in 28 states to collect feedback. Information regarding the conference, including the report, is available [here](#).

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